Human Resources Restricted Funds

Board Briefing June 14, 2023 – 1:00 p.m.

Human Resources Restricted Funds

- Fund 5030 Unemployment
- Fund 5060 Benefits Administration
- Fund 5080 Leave Buy-Out
- Fund 5050 Risk Management



Fund 5030 – Unemployment Fund

- Covers the costs for administration of the county's self-insured unemployment program. (RCW 50.44.060)
- The rate allocation is calculated at 0.3% of the total payroll cost per office and department.
- .6 FTEs are budgeted to this fund (salary, benefits, and employment taxes)
- Budget goal is at least \$1.5 -\$2m to cover two years of unemployment claims and expenses in the event of a major layoff
 - (10% to 15% of the workforce).



Fund 5030 10 Year Financial Plan

| 5030 Unemployment | | | | | | | | | | | | | | | | | | |
|-----------------------------|----------|------------|----|------------|-------------------|--------------|----------|--------------|----------|-----------|-----------------|----|-----------|----|-----------|-----------------|----|-----------|
| Human Resources | | | | | | | | | | | | | | | | | | |
| | | Actual | | Actual | | Actual | | Actual | | Actual | Projected | | Projected | | Projected | Projected | F | Projected |
| | <u> </u> | 2018 | [| 2019 | | 2020 | <u> </u> | 2021 | <u> </u> | 2022 | 2023 | ſ | 2024 | [| 2025 | 2026 | | 2027 |
| Beginning Fund Balance | \$ | 4,640,722 | \$ | 1,858,647 | \$ | 1,813,926 | \$ | 1,756,877 | \$ | 1,842,225 | \$ 1,701,821 | \$ | 1,613,194 | \$ | 1,527,687 | \$ 1,495,314 | \$ | 1,516,085 |
| Investment Interest | \$ | (6,947) | | | | | | | | | | | | | | | | |
| IF Personnel Services | \$ | 242,943 | \$ | 253,970 | \$ | 262,119 | \$ | 279,344 | \$ | 291,974 | \$ 297,813 | \$ | 303,770 | \$ | 309,845 | \$ 316,042 | \$ | 322,363 |
| Other Misc./Misc | \$ | 6,591 | \$ | (546) | | | \$ | (53) | \$ | (164) | | | | | | | | |
| Total Revenue | \$ | 242,587 | \$ | 253,424 | \$ | 262,119 | \$ | 279,291 | \$ | 291,810 | \$ 297,813 | \$ | 303,770 | \$ | 309,845 | \$ 316,042 | \$ | 322,363 |
| Salaries 51 | \$ | 66,125 | \$ | 49,931 | \$ | 61,527 | \$ | 48,588 | \$ | 58,352 | \$ 60,103 | \$ | 61,906 | \$ | 63,763 | \$ 65,676 | \$ | 67,646 |
| Benefits 52 | \$ | 20,404 | | 15,624 | | 19,858 | | 16,289 | | 19,684 | 20,668 | | 21,702 | | 22,787 | \$ 23,926 | \$ | 25,123 |
| (payments for unemployment) | \$ | 100,340 | \$ | 35,506 | \$ | 91,612 | \$ | 124,098 | \$ | 349,809 | \$ 300,000 | \$ | 300,000 | \$ | 250,000 | \$ 200,000 | \$ | 200,000 |
| Other Rebate | \$ | 2,833,333 | \$ | 250,000 | | | | | | | | | | | | | | |
| Supplies | | | | | | | | | | | \$ 1,300 | \$ | 1,300 | \$ | 1,300 | \$ 1,300 | \$ | 1,300 |
| Internal Service 59 | \$ | 4,460 | \$ | 4,131 | \$ | 6,602 | \$ | 4,969 | \$ | 4,369 | \$ 4,369 | \$ | 4,369 | \$ | 4,369 | \$ 4,369 | \$ | 4,369 |
| Total Expenditures | \$ | 3,024,662 | \$ | 355,192 | \$ | 179,598 | \$ | 193,943 | \$ | 432,214 | \$ 386,440 | \$ | 389,276 | \$ | 342,219 | \$ 295,271 | \$ | 298,438 |
| Ending Fund Balance | \$ | 1,858,647 | \$ | 1,756,879 | \$ | 1,896,447 | \$ | 1,842,225 | \$ | 1,701,821 | \$ 1,613,194 | \$ | 1,527,687 | \$ | 1,495,314 | \$ 1,516,085 | \$ | 1,540,010 |
| | As | sumptions: | As | sumptions: | 2% increase for s | | | | | | | | | | | | | |
| | | | | | | dicals 5% in | | | | | | | | | | | | |
| | | | | | ISF | Rate remai | ns | at .30% of s | alar | у | | | | | | | | |

Fund 5060 Benefits Administration

- 2.7 FTEs (salaries, benefits, and operating expenses)
- Administration of the county's employee benefit programs.
- Rates are allocated per FTE.
- \$200k reserve to cover 3-months operating costs and unanticipated ACA liability (penalties).
- O 2024 Rate is \$355,000.
- 2025 Rate is \$365,000.



Fund 5060 10 Year Financial Plan

| 10 YEAR FINANCIAL PLAN (| Yrs | s. 2019 thr | u 20 |)29) | | | | | | | | | | | | | | | | | |
|----------------------------------|-----|-------------|---------------------------------------|--------------|------|---------------|-------|------------|------|-------------|----------|-----------|----|-----------|----|----------|----|-----------|----|----------|-------------|
| 5060 Benefits Administratio | n | | | | | | | | | | | | | | | | | | | | |
| Human Resources | | | | | | | | | | | | | | | | | | | | | |
| | | Actual | | Actual | | Actual | | Actual | E | stimated | E | Estimated | E | Estimated | E | stimated | E | Estimated | E | stimated | Estimated |
| | | 2019 | | 2020 | | 2021 | | 2022 | | 2023 | <u> </u> | 2024 | | 2025 | | 2026 | | 2027 | | 2028 | 2029 |
| Beginning Fund Balance | \$ | 542,473 | | 542,473 | | 340,642 | | 225,443 | | 226,748 | _ | 190,212 | | 196,696 | | 202,257 | | 204,395 | | 202,610 | 201,382 |
| Investment Interest | \$ | 12,310 | \$ | 5,303 | \$ | 1,742 | \$ | 2,197 | \$ | 3,000 | \$ | 2,000 | \$ | 2,000 | \$ | 2,000 | \$ | 2,000 | \$ | 2,000 | \$ 2,000 |
| FSA Services | \$ | 31,846 | \$ | 32,932 | \$ | 33,943 | \$ | 31,453 | \$ | 32,909 | \$ | 30,000 | \$ | 30,000 | \$ | 30,000 | \$ | 30,000 | \$ | 30,000 | \$ 30,000 |
| IF Personnel Services | \$ | 148,053 | \$ | 148,054 | \$ | 148,054 | \$ | 293,000 | \$ | 297,000 | \$ | 355,000 | \$ | 365,000 | \$ | 375,000 | \$ | 385,000 | \$ | 400,000 | \$ 415,000 |
| Other Misc FSA forefeitures | \$ | 7,293 | \$ | 6,170 | \$ | 3,871 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ - |
| Total Revenue | \$ | 199,502 | \$ | 192,459 | \$ | 187,610 | \$ | 326,650 | \$ | 332,909 | \$ | 387,000 | \$ | 397,000 | \$ | 407,000 | \$ | 417,000 | \$ | 432,000 | \$ 447,000 |
| Salaries 51 | \$ | 240,327 | \$ | 272,977 | \$ | 200,328 | \$ | 177,163 | \$ | 229,615 | \$ | 238,149 | \$ | 246,694 | \$ | 254,095 | \$ | 261,718 | \$ | 269,569 | \$ 277,656 |
| Benefits 52 | \$ | 83,584 | \$ | 89,829 | \$ | 68,135 | \$ | 70,047 | \$ | 101,957 | \$ | 103,589 | \$ | 105,223 | \$ | 110,484 | \$ | 116,008 | \$ | 121,809 | \$ 127,899 |
| Internal Service 59 | \$ | 16,537 | \$ | 15,635 | \$ | 19,648 | \$ | 61,780 | \$ | 24,520 | \$ | 25,010 | \$ | 25,511 | \$ | 26,021 | \$ | 26,541 | \$ | 27,072 | \$ 27,614 |
| Professional Services 54 | \$ | 11,842 | \$ | 15,320 | \$ | 14,300 | \$ | 14,862 | \$ | 12,026 | \$ | 12,267 | \$ | 12,512 | \$ | 12,762 | \$ | 13,017 | \$ | 13,278 | \$ 13,543 |
| Other operating costs 53 | \$ | 773 | \$ | 342 | \$ | 406 | \$ | 1,323 | \$ | 1,327 | \$ | 1,500 | \$ | 1,500 | \$ | 1,500 | \$ | 1,500 | \$ | 1,500 | \$ 1,500 |
| Total Expenditures | \$ | 353,064 | \$ | 394,103 | \$ | 302,817 | \$ | 325,175 | \$ | 369,445 | \$ | 380,515 | \$ | 391,440 | \$ | 404,862 | \$ | 418,785 | \$ | 433,228 | \$ 448,212 |
| Ending Fund Balance | \$ | 388,911 | \$ | 340,829 | \$ | 225,435 | \$ | 226,918 | \$ | 190,212 | \$ | 196,696 | \$ | 202,257 | \$ | 204,395 | \$ | 202,610 | \$ | 201,382 | \$ 200,170 |
| | Ass | sumptions: | Est | imated actu | als | for 2023-20 | 025 | based on c | urre | ent employe | es | | | | | | | | | | |
| | | | | | | ternal servic | | | | | | | | | | | | | | | |
| Presented to the BoCC: 6/14/2023 | | | 3% increase for salaries 2026 forward | | | | | | | | | | | | | | | | | | |
| | | | 5% | increase for | or b | enefits 2026 | 5 for | ward | | | | | | | | | | | | | |

Fund 5080 – Leave Buy-Out Fund

- New Fund Created January 2022
- Pays 25% of Retiree's Leave (Vacation, Sick & Alternative)
- O 2022 Summary
 - O 26 Employees
 - 16 Offices and Departments
 - \$104,272.12 Total Paid
- 2023 YTD (5/15/23) = \$54,499.97
- Rates are allocated as a 0.35% surcharge on salaries



Human Resources - Bocc Briefing 06/14/2023

Fund 5080 10 Year Financial Plan

| 10 YEAR FINANCIAL PLAN | (Yrs. 2019 th | ru 2029) | | | | | | | | | |
|----------------------------------|---------------|----------------|---------------------|------------|-------------------|------------|-------------------|--------------|--------------|--------------|-------------|
| 5080 Leave Buy Out | | | | | | | | | | | |
| Human Resources | | | | | | | | | | | |
| | Actual | Actual | Actual | Actual | Estimated | Estimated | Estimated | Estimated | Estimated | Estimated | Estimated |
| | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
| Beginning Fund Balance | | | | 250,000 | 483,222 | 644,484 | 845,649 | 1,044,528 | 1,252,952 | 1,471,355 | 1,700,191 |
| Investment Interest | \$ - | S | \$ | \$ 3,606 | \$ 3,606 | \$ 3,606 | \$ 3,606 | \$ 3,606 | \$ 3,606 | \$ 3,606 | \$ 3,606 |
| IF Personnel Services | \$ - | \$ | \$ - | \$ 333,887 | \$ 326,768 | \$ 371,800 | \$ 374,800 | \$ 389,792 | \$ 405,383 | \$ 421,599 | \$ 438,462 |
| Total Revenue | \$ | \$ | \$ | \$ 337,493 | \$ 330,374 | \$ 375,406 | \$ 378,406 | \$ 393,398 | \$ 408,989 | \$ 425,205 | \$ 442,069 |
| Salaries 51 | \$ - | 5 - | \$ | \$ 98,875 | \$ 163,499 | \$ 168,404 | \$ 173,456 | \$ 178,660 | \$ 184,020 | \$ 189,540 | \$ 195,226 |
| Benefits 52 | S | \$ - | \$ | \$ 5,397 | \$ 5,613 | \$ 5,837 | \$ 6,071 | \$ 6,314 | \$ 6,566 | \$ 6,829 | \$ 7,102 |
| Total Expenditures | <u>\$</u> | <u>\$</u> | \$ | \$ 104,272 | \$ 169,112 | \$ 174,241 | \$ 179,527 | \$ 184,973 | \$ 190,586 | \$ 196,369 | \$ 202,328 |
| Ending Fund Balance | \$ | \$ | \$- | \$ 483,221 | \$ 644,484 | \$ 845,649 | \$ 1,044,528 | \$ 1,252,952 | \$ 1,471,355 | \$ 1,700,191 | \$1,939,931 |
| | Assumptions: | | tive January 1, 2 | | | | | | | | |
| | | | of vacation, sick a | | | | retiring from the | county. | | | |
| | | | steady through 2 | | fund experienc | e | | | | | |
| | | | surcharge starti | - | | | | | | | |
| Presented to the BoCC: 6/14/2023 | | | salary pay outs | | | | | | | | |
| | | 4% increase in | associated bene | efits | | | | | | | |



Fund 5050 Insurance/Safety/ Risk Management

O 3.2 FTE

- Safety Program WAC 296-800
- County's Insurance Portfolio
- Risk Management / Loss Control
- Actuarial Estimate of Liability
- RCW 48.62, RCW 39.34 & WAC 200.100.03001

Fund 5050 10 Year Financial Plan

| | | 10 Y | EAR FINA | NCIAL P | LAN | | | | | | |
|--|--------------|---------------------|-----------------|--------------------|-------------------|----------------------------|----------------------------|----------------------|----------------------------|----------------------|----------------------|
| 5050 RISK INSURANCE FUND | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | Actual | Actual | Actual 2021 | Actual 2022 | Projected 2023 | Projected 2024 | Projected 2025 | Projected | Projected | Projected | Projected |
| Beginning Fund Balance | 2019 | 2020 ¢ 2.015.671 | | | \$ 3,915,671 | | | 2026 \$ 4,803,032 | 2027 \$ 4,803,032 | 2028 \$ 4,803,031 | 2029 \$ 4,803,031 |
| Deginning Fund Datance | \$ 4,734,341 | \$ 3,913,071 | \$ 4,300,300 | \$ 4,170,213 | \$ 3,913,071 | ⊅ 4,003,03 ∠ | ⊅ 4,003,03 ∠ | | ⊅ 4,003,03 ∠ | \$ 4,003,031 | \$ 4,003,031 |
| Revenue: | | | | | | | | | | | |
| 34 - CHGS FOR GOODS & SVS | 2,023,935 | 2,971,675 | 2,880,742 | 3,219,983 | 7,185,483 | 7,602,699 | 8,350,661 | 8,986,330 | 9,672,193 | 10,412,243 | 11,210,789 |
| Adjusting entry | | | | | | | | | | | |
| 37- Recoveries | | | | | 167,125 | | | | | | |
| Total Revenue | 2,023,935 | 2,971,675 | 2,880,742 | 3,219,983 | 7,352,608 | 7,602,699 | 8,350,661 | 8,986,330 | 9,672,193 | 10,412,243 | 11,210,789 |
| | | | | | | | | | | | |
| Expenditures: | | | | | | | | | | | |
| Salaries | 263,838 | 278,406 | 270,845 | 296,507 | 313,919 | 323,336 | 333,036 | 343,027 | 353,318 | 363,918 | 374,835 |
| Benefits | 102,617 | 109,675 | 95,576 | 60,644 | 96,865 | 101,708 | 106,794 | 112,133 | 117,740 | 123,627 | 129,808 |
| Supplies | 3,140 | 1,049 | 909 | 63 | 1,190 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 |
| Services | 1,994,558 | 1,851,005 | 3,063,678 | 3,701,149 | 5,739,462 | 7,021,054 | 7,754,231 | 8,374,569 | 9,044,535 | 9,768,098 | 10,549,546 |
| Capital Outlays | | | | | | | | | | | |
| Dept Service Principle | 4,167 | | | | | | | | | | |
| Internal Services | 150,273 | 131,543 | 132,415 | 160,526 | 313,812 | 155,000 | 155,000 | 155,000 | 155,000 | 155,000 | 155,000 |
| Adjusting Entries | 324,012 | 127,288 | (470,513) | | | | | | | | |
| Total Expenditures | 2,842,605 | 2,498,966 | 3,092,909 | 4,218,889 | 6,465,247 | 7,602,699 | 8,350,661 | 8,986,330 | 9,672,193 | 10,412,243 | 11,210,789 |
| Ending Fund Balance | \$ 3 015 671 | ¢ / 388 380 | ¢ 1 176 213 | \$ 3 177 307 | \$ 1 803 032 | \$ 4,803,032 | \$ 4,803,032 | \$ 4,803,032 | \$ 4,803,031 | \$ 4,803,031 | \$ 4,803,031 |
| % Percentage Change - year to year | \$ 3,313,011 | 12.07% | | -23.92% | 51.17% | -18.64% | | 0.00% | 0.00% | | 0.00% |
| Cash Flow Needs (reference time frame) | | | | | | | | | | | |
| Submitted June 1, 2023 | | | | | | | | | | | |
| Assumptions in spreadsheet: | | | | | | | | | | | |
| 2022 - 2023 - Increase to General Liability Claim Cost | s and 40% ba | se rate increas | se to build cap | ital for self-insi | ured retention | | | | | | |
| 2024 - Revenue adjusted to maintain fund balance at | | | | | | | | | | | |
| 2025 General liability insurance and claim costs adju | | | multiple claim | closures) | | | | | | | |
| 2026 - 2029 Inflation factor 8% | | | | , | | | | | | | |

Thank You

Human Resources

Maria Aponte, Director Tara Wickline, Compensation & Benefits Manager Tammy Devlin, Risk Manager